

HOUSE JOINT MEMORIAL 52

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Mimi Stewart

A JOINT MEMORIAL

REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO DIRECT THE APPROPRIATE LEGISLATIVE INTERIM COMMITTEE TO STUDY OPTIONS FOR LOWERING THE COST OF MOTOR VEHICLE INSURANCE, INCLUDING "PAY AT THE PUMP" PROPOSALS, AND INCREASING THE PERCENTAGE OF INSURED MOTORISTS IN NEW MEXICO.

WHEREAS, the cost of motor vehicle insurance in New Mexico is disproportionately high considering the state's low per capita income; and

WHEREAS, twenty-seven states had average liability premiums that were lower than New Mexico's in 2002, yet only three states had a lower per capita income that same year; and

WHEREAS, the high cost of motor vehicle insurance, when coupled with the low income of many New Mexicans, has resulted in an estimated fifteen percent of motorists in the state

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1 driving without liability insurance; and

2 WHEREAS, the cost of buying insurance is increased by the
3 need to purchase uninsured and underinsured motorist coverage;
4 and

5 WHEREAS, without affordable insurance, mandatory insurance
6 laws will not work, which means that rates will remain high;
7 and

8 WHEREAS, if all motorists carried liability insurance,
9 rates might be reduced; and

10 WHEREAS, legislative proposals for penalties, incentives,
11 payment programs and other mechanisms have been offered from
12 time to time to address the problem of uninsured motorists; and

13 WHEREAS, one such proposal is a "pay at the pump" system
14 under which motorists would pay for liability insurance each
15 time they purchased fuel, which would ensure that all motorists
16 were insured; and

17 WHEREAS, the legislature should examine and evaluate a
18 range of proposals for addressing the problem of uninsured
19 motorists, including the "pay at the pump" system;

20 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
21 STATE OF NEW MEXICO that the New Mexico legislative council be
22 requested to direct the appropriate legislative interim
23 committee to study the "pay at the pump" system and other
24 options for lowering the cost of liability insurance and
25 increasing the percentage of insured motorists in New Mexico

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1 and report its recommendations, if any, to the second session
2 of the forty-seventh legislature; and

3 BE IT FURTHER RESOLVED that copies of this memorial be
4 transmitted to the co-chairs of the New Mexico legislative
5 council.

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